

May 25, 2010

Madam Speaker, today I introduce legislation to permanently extend the first-time homebuyer tax credit and to make the credit available to people whose homes have been destroyed by a natural disaster, such as a hurricane. The legislation also makes a number of changes to existing tax credits in order to enhance their usefulness to victims of natural disasters. Specifically, this bill makes the casualty loss deductions available to taxpayers who do not itemize and it makes the casualty loss provision available for five years after the disaster. This legislation also helps people who have lost their jobs because of a natural disaster by making unemployment payments provided under the Disaster Relief and Emergency Assistance Act tax free.

Renewing the first-time home buyer's credit will help Americans purchase a first home with their own money, instead of having to rely on government-funded or backed programs. The other sections of this legislation were inspired by conversations my staff and I had with constituents who had to purchase new homes because Hurricane Ike destroyed their prior homes. The first-time homebuyer's tax credit could be of tremendous value to these people, yet the law denies them the credit because they are replacing destroyed homes. My bill not only reinstates that first-time homebuyer's credit, it also corrects that oversight.

It is hard to think of a more beneficial or compassionate expansion of the first-time homebuyer tax credit than to make the credit available to those whose homes have been destroyed or damaged by natural disasters. In addition, the changes to the casualty loss provision will help more taxpayers affected by natural disasters. Repealing the taxes on unemployment benefits provided to people affected by nature disasters will ensure those forced onto the unemployment rolls because of a natural disaster are not further burdened by having to pay taxes on their unemployment benefits. Providing tax relief to first-time homebuyers and to those affected by natural disasters should be one of Congress' top priorities. I therefore urge my colleagues to join me in supporting this legislation.